



**Department of Justice
U.S. Attorney's Office
Southern District of Texas**

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FOR IMMEDIATE RELEASE
FRIDAY, JUNE 9, 2006
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**FORMER TEAMSTERS' PRESIDENT INDICTED FOR ELECTION FRAUD AND
UNION EMBEZZLEMENT FOR TAKING KICKBACKS**

HOUSTON, TX – Charles “Chuck” Crawley, 56, the former President of the Teamsters Local Union 988, has been indicted for mail fraud relating to the union’s 2002 election, embezzling union funds through the election fraud, embezzling union funds by accepting a \$20,000 cash kickback from a vendor, and making false entries into the union records, United States Attorney Don DeGabrielle announced today. Crawley served as Local Union 988's elected president from 1997 until his ouster in October 2003.

"Every union member has the right to expect that his or her elected leaders will conduct themselves honestly, and with the best interests of the union membership at heart," said United States Attorney DeGabrielle. "Union officials who abuse their positions of trust for personal gain, and run afoul of federal law, will be held accountable."

"The Labor Department seeks to protect and safeguard union funds and assets and the rights of union members to fair and democratic elections of officers," said Gerard Donegan, District Director of the Department's Office of Labor-Management Standards in New Orleans. "Whenever fraudulent activity is detected, such as in Teamsters Local 988, we want to ensure that the criminal element is removed and that basic standards of democracy and fiscal responsibility are restored."

Crawley was taken into federal custody this morning and is expected to appear before a United States magistrate judge today.

Crawley, indicted by a federal grand jury on Thursday, June 8, 2006, is accused of devising a scheme to defraud the Local Union members' right to honest services by using the mail during the October 2002 election by placing 362 phony ballots marked in favor of Crawley for union president into false return envelopes representing members of Local 988 that Crawley believed would not be voting in the election. Crawley is also accused of trying to ensure his re-election as union president by secretly increasing the number of votes registered on his behalf and was thereby not entitled to the salary paid to him as president starting in January 2003. The embezzling union property charge arises from Crawley's alleged use of the union's computer system to generate the fraudulent ballots.

The indictment also accuses Crawley of arranging and accepting a \$20,000 kickback

from the installer of a telephone system into the Union's new hall between February and June 2002 and causing false entries into official union records regarding the telephone installation.

James P. Hoffa, Teamsters general president, suspended Crawley as president of the Local on October 16, 2003, and imposed a temporary emergency trusteeship pending an internal investigation by an Independent Review Board (IRB). Crawley was later permanently barred from the union in September 2004.

Local 988 is the largest Teamsters Union in Houston, representing over 4,000 long-haul truckers as well as local cargo truckers including United Parcel Service, Yellow Freight, Roadway, and a number of bakery and car hauling companies.

If convicted of the mail fraud count, Crawley faces a statutory maximum penalty of 20 years imprisonment. Each of the two embezzlement counts carry a maximum of five years imprisonment. These felony counts also carry a \$250,000 fine for each count of conviction. The false entry in union record count carries a maximum sentence of one year in prison and a \$25,000 fine.

Richard Hammond, who preceded Crawley as Local 988 president, was run out of office and sentenced to four years imprisonment following his April 1998 conviction for embezzling union funds. Hammond was similarly ousted by an international trustee in 1995.

This three-year investigation was conducted by the U.S. Department of Labor - Office of Labor Management Standards (OLMS) and Office of Inspector General, and the Federal Bureau of Investigation. The prosecution is being handled by Assistant U.S. Attorneys Michael Wright and Edward F. Gallagher with assistance from Trial Attorney Vincent Falvo of the U.S. Department of Justice Organized Crime and Racketeering Section.

An Indictment is a formal accusation of criminal conduct, not evidence. A defendant is presumed innocent unless and until convicted through due process of law.

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